MEMORANDUM

Legislative Post Audit
800 SW Jackson Street
Topeka, Kansas 66612
Phone: (785) 296-3793
Web: www.kslpa.org

TO: Members, Legislative Post Audit Committee
FROM: Katrin Osterhaus, IT Audit Manager
DATE: September 14, 2022
SUBJECT: Automated Biometric Identification System ABIS IT Project - Update

Our primary aim in monitoring IT projects is to identify when a project is at risk of failure due to scope, schedule, cost, or quality problems. By communicating our concerns to the agency, legislators, and other stakeholders we hope to help improve the project's health. Our secondary objective is to evaluate whether monitored IT projects have adequately planned for security controls.

We have monitored the Kansas Bureau of Investigation's Automated Biometric Identification System (ABIS) project since January 2020. KBI signed a separate contract with "Mission Critical Partners (MCP)" for periodic Independent Verification & Validation (IV&V). This update covers the April 1 – June 30, 2022 period. It summarizes the main findings from the third IV&V report issued to KBI August 17, 2022.

Project Scope is in Satisfactory status.

To complete the ABIS project, KBI entered into a contract with IDEMIA. The contract contains the detailed scope for the project. During this period, MCP noted no issues with 3 scope-related criteria: size, change control management, or the requirements identified for this project.

Project Cost is in Satisfactory status.

The project budget is set at approximately $5.5 million. This includes the IDEMIA and IV&V contract, as well as other internal costs (e. g. project manager, hardware platform, and KITO fees). The project has successfully exercised two change orders to date, one of which reduced the project cost by about $330,000. Cost control risks were rated as 'moderate' based on clear contract terms and initial billing processes. IDEMIA did not include a contractual purchasing card discount in one of the invoices because the work was performed by a subcontractor. KBI ultimately accepted that explanation.

The contract has an 18-month warranty from the time the system is deployed. After the warranty period, the contract allows KBI to get maintenance support for about $100,000 a year for up to 15 years. During this reporting period, MCP categorized all 5 cost criteria as low (3) or moderate (2).

Project Quality (security, management, oversight) is in Caution status.

The project included security and governance requirements for the system. We are not aware of any changes that would affect the security planning of the project.

During this reporting period, KBI was credited for getting the detailed project plan approved by KITO, making the approach more predictable and reportable. Other notable positives included KBI's experience with managing projects, executive management involvement, and a collegial team environment. KBI also has a new project manager who has moved to full-time status and expected to remain for duration of the project.

The latest MCP report noted several quality related issues, as follows:

- *Project manager authority, project management approach, and project management relationship items received high risk ratings.* IDEMIA committed to a number of projects, and the KBI project is in 4th place. IDEMIA's project manager cannot manage staffing levels across those projects which creates resourcing issues. IDEMIA uses an agile staffing approach, increasing the risk that staff assigned to KBI tasks may be unfamiliar with the project. IV&V staff noted the relationship between the parties has been stressed; with several reports of frustration. Issues on both sides stem from poor resource coordination scheduling, documentation, updates tracking and completion. According to the report, negative interactions, often in group forums, further eroded trust between KBI and IDEMIA.
- *Poor user communication resulted in a high-risk rating.* During this reporting period, IV&V staff noted continued issues with users not communicating sufficiently to understand the overall project status, and where their work fits in the overall. User communication focuses on active assignments and weekly project status meetings, in lieu of longer-range activities (e.g. forecasting resources and activities). Four other user engagement criteria were rated as moderate.
- *Weak intergroup coordination processes resulted in a high-risk rating.* During this reporting period, KBI implemented a document collaboration sharing repository external stakeholders could access. This process requires the PM to duplicate files from the agency's SharePoint process, which increases the risk of version control issues. Additionally, poor planning continues, including basic courtesies such as advance calendaring, published agendas or minutes. Lastly, Several instances of the contractor being ill-prepared have led to non-productive meetings. Four other project control criteria received moderate risk rankings.
- Technical documentation activities received a high risk rating. Continuing from the previous reporting period, this area continues to be a problematic, mainly because KBI and IDEMIA did not implement a standard process for developing, reviewing, and completing deliverables, many of which now are in development. Four other implementation criteria received low or moderate risk rankings.

Conversely, the IV&V report found no high risk issues within the 'oversight', 'contractor performance', 'technology components', and 'business impact' areas.

Project Schedule is in Caution status.

The contract with IDEMIA was signed July 2021, to continue through January 2023. The first IV&V report noted the project suffered from a slow start. The second report estimated a 3-5 month delay from original schedule.

During this reporting period, KBI reworked the detailed project plan and received KITO approval. The plan re-baselined project completion to late September 2023 (roughly 9 months behind the original target). The approved plan allows progress to be measured against clear, and likely more realistic, deadlines. However, this was noted as a risk because IDEMIA staff think the deadline is overly delayed and maintains the project will be completed closer to the original January 2023 date.

Lastly, it was revealed that IDEMIA's resources are competing with the demands across five other projects. One has recently been completed, three are in front of the KBI's project, and one large client project has been added. This likely contributes to ongoing resources issues on the KBI project. As the MCP report notes, the biometric vendor marketplace is experiencing resource constraints due to resignations, retirements and a lack of resources. Resource constraints can negatively affect the project schedule if the other 2 project constraints (cost and scope) remain constant.

Recommendations

The latest IV&V's report made 4 recommendations. First, KBI and IDEMIA should increase collaboration and work towards better managing and optimizing the use of scarce team member resources. Additionally, the parties should set up weekly small-team meetings to confirm project activities and progress, to address questions, and promote collaboration.

The report further recommended to conduct an executive intervention to understand the nature of adversarial contractor relations and to address them decisively. As part of that recommendation, IV&V staff noted for KBI to communicate with IDEMIA leadership who may not be fully aware of the situation. Lastly, the parties should set a standard process for the development, review, and completion of upcoming key deliverables (a repeat recommendation).